

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 138 – HB 651

February 5, 2013

SUMMARY OF BILL: Requires the chair of an audit committee to report information received from employees, taxpayers, or other citizens, regarding illegal, improper, wasteful, or fraudulent activity, to the Comptroller of the Treasury. Authorizes the Comptroller to prescribe the reporting method by which the chair of the audit committee shall submit the information.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Pursuant to Tenn. Code Ann. § 4-35-102, a state governing board, council, commission, or equivalent body that has the authority to hire and terminate its employees shall create an audit committee.
- Pursuant to Tenn. Code Ann. § 9-3-405(b), the governing body of the local government shall create an audit committee.
- Currently audit committees are required to establish a process by which employees, taxpayers, or other citizens can confidentially report suspected illegal, improper, wasteful, or fraudulent activity.
- Reporting these instances to the Comptroller of the Treasury will not result in any significant fiscal impact to state audit committees.
- According to the County Technical Assistance Service (CTAS), any fiscal impact to local government is estimated to be not significant.
- According to the Comptroller of the Treasury, the agency currently has a process established to receive this type of information. As a result, any increase in state expenditures is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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